

Banks-1914

# The Wage Earners Loan and Investment Co.

(Incorporated 1900, under the Laws of Georgia)

Pioneer Negro Savings Bank  
OF GEORGIA.

SAVANNAH, GA.

*The Savannah Tribune*

10/31/14.



**A**UTHORIZED  
CAPITAL \$50,000

OFFICERS AND DIRECTORS

L. E. WILLIAMS, President and Treasurer

SOL. C. JOHNSON, Vice President

L. M. Pollard  
W. J. Williams  
Jno. F. Jones  
P. Edward Perry

R. A. HARPER, Secretar

W. H. Burgess  
J. G. Garey  
H. B. Wright  
Wm. Wright

James M. Ferreebee

## Combined Assets at the End of Each Fiscal Year

1900 (Commenced Business.....)	\$ 102.00
1901.....	1,144.00
1902.....	2,462.03
1903.....	11,637.37
1904.....	14,587.63
1905.....	20,897.28
1906.....	35,749.51
1907.....	67,966.90
1908.....	70,553.58
1909.....	78,085.04
1910.....	102,874.88
1911.....	116,368.08
1912.....	214,239.09
1913.....	221,424.22
1914.....	<b>\$267,646.58</b>

## Statement of Condition October 5, 1914

### RESOURCES

Loans Outstanding.....	\$221,530.08
Real Estate and Investments.....	34,720.65
Office Furniture and Fixtures.....	1,000.41
Cash.....	10,395.44

Total ..... 267,646.58

### LIABILITIES

Capital Paid in.....	48,417.10
Reserve and Undivided Profits.....	51,796.90
Deposits.....	133,253.38
Dividends Unpaid.....	179.20
Bills Payable..	34,000.00

Total ..... 267,646.58

## Deposits payable on Demand

Earn 5 per cent compounded quarterly and are secured by thousands of dollars invested in Savannah Real Estate. You can open an account with One Dollar.

6 per cent Interest paid on deposits of \$100.00 or more when left for one year.

Phone 1198

Pioneer Negro Savings Bank of Georgia



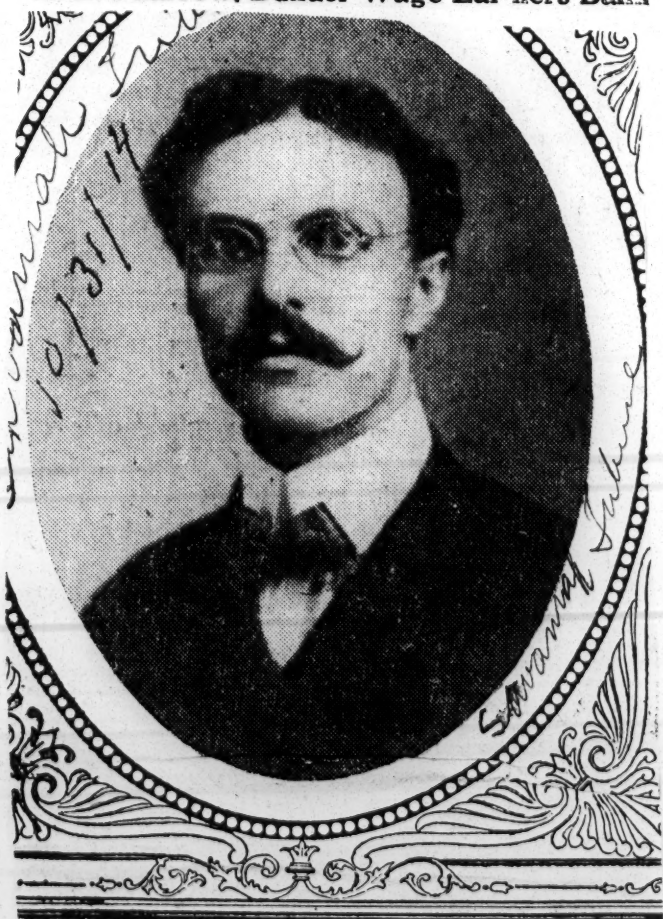
R. A. Harper, Secretary Wage Earners Bank

The Wage Earners  
Loan and Investment Company  
Alice and West Broad Sts.



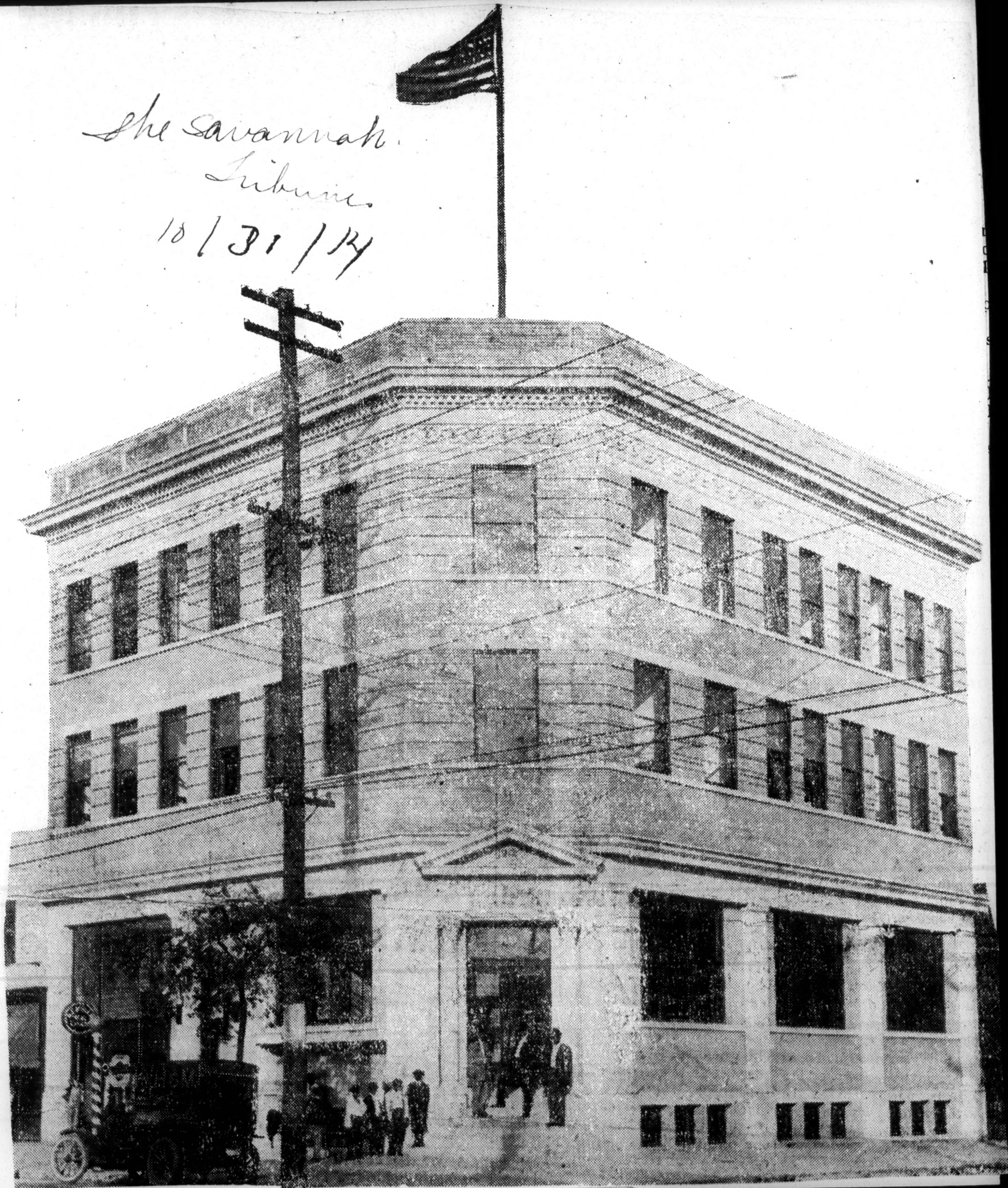


R. E. Pharrow, Builder Wage Earners Bank



L. E. Williams, President Wage Earners Bank

The Savannah  
Tribune  
10/31/14





Banks—1914

## COUNTRY'S MOST NOTED NEGRO BANKERS

*The voice of the people*  
6-27-14

Dr. W. R. Pettiford and B. H. Hudson—Alabama  
Penny Bank Oldest and Largest Negro Bank  
in the World.

Two of the most notable and at the same time two of the useful citizens of the Negro race not only in the city of Greater Birmingham, nor alone in the State of Alabama, but of the entire country, are Dr. W. R. Pettiford, president of the Alabama Penny Savings Bank, and B. H. Hudson, the cashier.

Side by side these two pioneer bankers of the Negro race have labored for twenty-odd years in the establishment of the oldest and largest Negro bank in the world.

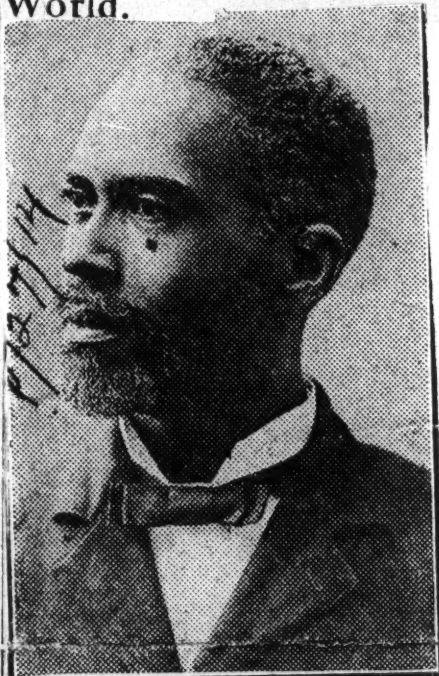
No two men ever undertook a more mammoth task than the one of establishing a Negro bank at the time these two pioneer race developers pushed their way into this new field of racial endeavor and planted firmly the banner bearing the insignia of a Negro bank on the heights of the world's great field of commerce. How well this task has been performed the world knows, for the commercial institution established under the leadership of these trustworthy and faithful directors enjoys the distinction of being not only the oldest and largest Negro bank in the world, but is also one of the most reliable banking institutions in the country without regard to its identification with any race.

Many banks, white and colored, established about the time the Alabama Penny Savings Bank was established, and scores established since that time are only a memory in the minds of their heart-broken and disappointed depositors. But for twenty-five years the doors of the Alabama Penny Savings Bank have not failed to open. It has passed through two of the most severe panics and has never suspended payment, maintaining her payment on the same basis as the national banks of our city.

Nothing but the genius and integrity of the leaders in a great institution could have vouchsafed a record so enviable.

Dr. Pettiford has been the advertiser and the traveling representative. He has acquired national fame. Wherever Negro financial institutions are to be discussed Dr. Pettiford's opinion is sought. He is the best known Negro bank president on the American continent. Though full of years, he is still the youthful thinker. No man in the community enjoys in a larger degree the confidence of all the people than does Dr. Pettiford. While being off on a leave of absence from active duties, no figure is missed more, no man's absence is felt more, no man's advice is needed more than that of Dr. Pettiford.

Mr. Hudson, so well known as the

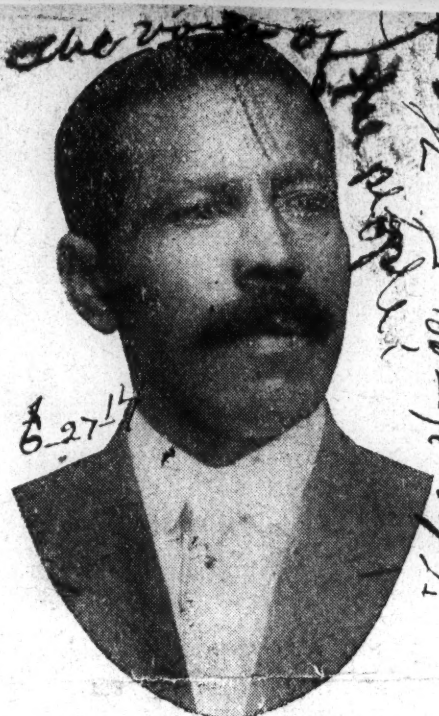


DR. W. R. PETTIFORD

President Alabama Penny Savings Bank. Pioneer Negro bank president. Dr. W. R. Pettiford is now on a leave of absence and no man is missed more from the business affairs of Birmingham than he. His many friends are pleased to know that he is improving rapidly. The office of the president of the bank seems odd without Dr. Pettiford. Great is the work that this man of heroic mould has done.

Dr. Pettiford has been the advertiser and the traveling representative. He has acquired national fame. Wherever Negro financial institutions are to be discussed Dr. Pettiford's opinion is sought. He is the best known Negro bank president on the American continent. Though full of years, he is still the youthful thinker. No man in the community enjoys in a larger degree the confidence of all the people than does Dr. Pettiford. While being off on a leave of absence from active duties, no figure is missed more, no man's absence is felt more, no man's advice is needed more than that of Dr. Pettiford.

Mr. Hudson, so well known as the



J. O. DIFFAY

Vice-President Alabama Penny Savings Bank, now acting in place of the hero, Dr. Pettiford.



P. F. CLARK

Assistant Cashier Alabama Penny Savings Bank, one of the originals. Has stood at his post twenty-odd years. He is better known as "Peter" Clark.

*New York Age - 6-27-14*  
**ORGANIZE A BANK**

**AT PORTSMOUTH, VA.**  
Special to THE NEW YORK AGE.

Portsmouth, Va., Jan. 27.—The Negroes of this city have organized a financial institution, to be known as the Mutual Savings Bank. The State Corporation Commission of the State of Virginia, has granted the incorporation charter to do banking business, and the capital stock of the concern is to be not less than \$10,000 and not more than \$25,000.



*The voice of the people*  
6-27-14. B. H. HUDSON.

Cashier Alabama Penny Savings Bank, pioneer Negro bank cashier. Mr. Hudson is well known in the commercial world. His work is a monument to wisdom and character. Faithfully he has stood at the desk of the Penny Bank and directed the internal affairs for twenty-odd years. Respected and trusted by all who know him.

J. F. Kiddick is president, Thomas W. Newbie, James Terry, Co. the bank officials will undoubtedly be kept busy entertaining their hundreds of callers.

**PUBLIC INVITED TO ATTEND**

**MOST BEAUTIFUL NEGRO BANK IN THE COUNTRY**

**Fixtures Most Modern—Furniture All of Solid Mahogany—Safe of Latest Idea—Institution Has Over 5,000 Depositors—Ladies Retiring Room—Resources Over \$260,000.00.**

*The Savannah*  
On Monday from 3 to 8 p. m. o'clock The Wage Earners Loan and Investment company will welcome visitors in their new bank at the corner of Alice and

The Wage Earners Loan and Investment Company is the second oldest Negro banking institution in the country. It was organized in 1900 and the first president was the late Albert Jackson. It began business with \$102.00

The bank is capitalized at \$50,000.00 and of this amount \$48,417.10 has been paid in. At the issuance of the last annual statement this month the combined assets of the bank were shown to be \$267,646.58. Reserve and undivided profits amount to \$51,796.90 and the dividends unpaid \$179.20, with bills payable amounting to \$34,000.00 and deposits of \$133,253.38.

The new home of the bank is elaborately furnished and occupies the entire ground floor of



their \$40,000.00 building which was finished a little over a month ago. The building which is only a block from the Union Station, is three stories high and is constructed of buff brick with lime stone trimmings. It is steam heated and has all of the modern improvements. The Pharrow Construction Company of Atlanta, the largest Negro construction company in this section of the country, erected the building.

The grill work in the bank is of solid bronze and the woodwork is of the finest mahogany. The vainscoting is of Vermont marble and in appearance the bank is the equal of any in the city.

The safe embodies the latest ideas and is burglar proof, being a Victor screw door safe. There are several nests of safety deposit boxes, all of the latest and most improved style.

One of the most pleasing features of the new bank to the ladies will be the ladies' retiring room. This room is elegantly fitted up and will doubtless prove very serviceable.

The bank is divided in to several departments, each caged off by grill work. The directors' room in the rear, is one of the most beautiful places in the bank and is elaborately furnished. It contains among other furnishings a ten foot mahogany table and twelve heavy revolving chair of like material. A beautiful shower chandelier with twelve bulbs enclosed in attractive shades gives a soft light very suitable to a room of this sort.

The president's private office is also very nicely furnished and contains a dictaphone, as does the cashier's apartment, a beautiful roller top desk and an expensive Wilton rug.

At the opening Monday the bank will present beautiful souvenirs to the visitors.

An interesting statement of the bank, whose officers are L. E. Williams, president, and R. A. Harper, secretary, will be seen on page four of this edition of The Tribune.



*The Journal & Guide*  
Wm. M. RICH, Cashier

The accompanying pictures show the new home and offices of the Brown Savings and Banking Company, Incorporated, which on last Monday occupied the entire first floor of the Virginia Beneficial and Insurance Company building at 526-528-530 Queen St. The bank's quarters are handsomely fitted up with new and modern banking fixtures and presents quite a fine appearance. Hundreds called on Monday to look the new home of the bank over and many new accounts were opened. The first five months of this year have been the most prosperous in the career of the bank and its prospects for the future are exceedingly bright. Its officers and Board of Directors are among Norfolk's most substantial citizens.



W. H. C. BROWN  
Vice-Pres. and Gen. Mgr.

## BANK OCCUPIES NEW HOME



*The Journal & Guide*  
9/6/14

*Washington Bee - 7-25-14*

*Banks*

The Mutual Savings Bank of Portsmouth, Va., a colored institution, is doing a thriving business.

*Rec. Y. B.*



# Banks - 1914

## THE MOUND BAYOU BANK.

It seems that those financial concerns in which Charles Banks, of Mound Bayou, Miss., has been so largely and considerably involved. For many years Mr. Banks has been cashier and the leading spirit of the Mound Bayou Bank. This institution has been held something as a pioneer among banks by colored people. It has enjoyed a good reputation all along, greater, perhaps, than the limited locality warranted. Mound Bayou is a distinct Negro city, founded by the well-known Isaiah T. Montgomery, who is also associated with the bank. The management has always been ambitious. But the locality has no natural advantages such as to insure thrift among its people. As we understand, it is situated far inland, depending solely on the railroads for transit. No mines of coal or iron to speak of are near. The section is purely agricultural, thus lacking that zestful impulse known to manufacturing communities.

There are many white communities similarly situated, and most of them similarly lag, and this seems especially so in the South. The rivers seem a necessary adjunct, not to speak of the mines, if they loom up largely in the affairs of men. Travelers having visited that city have not been favorably impressed as to its opportunity to make good. Much, however, can be said of the zealous work of Mr. Banks, Mr. Montgomery and a few of their associates. They tried hard to give the town the necessary impetus. They did more to advertise their community than the leaders of the other Negro cities. Both Messrs. Banks and Montgomery attended the National Business Men's League when it met in Indianapolis a few years ago, in company with some of the bank directors. They talked Mound Bayou incessantly; they put Mound Bayou on the map. They followed the meetings from year to year, especially Mr. Banks, who was an executive member of Dr. Booker T. Washington's executive board of the National Negro Business League.

Their recent venture, the \$100,000 cotton mill, we suspect, was most too gigantic for the little community. It had to be financed. We are not so sure of the source of the money. We know that a bank examiner of the State of Mississippi found it necessary to close the bank a few days ago pending investigation of its affairs.

As if this blow was not sufficient, according to report, the Masonic Benefit Association, the largest Negro fraternal insurance concern in the State, of which Mr. Banks is president, is also hopelessly involved. The information has this:

"The defendant concerns are Negro fraternal insurance organizations, and Commissioner Henry announces that

he has started a general house-cleaning in the Negro insurance business, with a determination to put out of existence all concerns that do not settle their claims and carry out other pledges to policyholders.

"The Masonic Benefit Association is the largest Negro fraternal insurance concern in the State, and its president, Charles Banks, of Mound Bayou, is recognized as the foremost leader of his race in this State."

The affairs of the insurance institution are set out in detail, also that of the United Reformers of America, which are in a similar condition, closing with this:

"The Masonic Benefit Association owns a tract of land near Jackson, worth about \$6,000; a 1,000-acre tract in the Delta, valued at perhaps \$20,000, and it is understood that its president loaned certain funds to an oil mill at Mound Bayou."

### BANKING AND INSURANCE.

*The Washington Bee*  
Field Invaded by Negroes With Success—Ralph W. Tyler Tells of the Marvelous Record Made by the Race in Two Branches of Business Whose Doors Were Closed to Him.

By Ralph W. Tyler.

On my trips through the country I was particularly interested in the conduct, by men of the race, of banking institutions and insurance companies. Banking and insurance is usually regarded as possibly the two highest forms of business activity, and requiring more care and financial acumen than any other form of business. The chances of success in each are more limited, and the possibilities of failure greater than in any other line of business. They are, too, the only two branches of business into whose mysteries the Negro has had no opportunity to become versed, since, with perhaps but few, rare and isolated instances, white banks and white insurance companies have afforded the Negro no opportunity to learn; he has not employed him, except as janitors, which occupation is so far removed from contact with the actual business operations as to make it impossible for the Negro thus lowly employed to gain an adequate knowledge of the business. How he has succeeded in mastering the bank- and insurance business, without opportunities to learn, is almost as great a wonder as any enumerated in Mother Shippen's prophecies. That he has learned the banking and insurance business, has developed branches of business with signal success constitutes one of the best possible answers to the statements, by anti-race men, that the Negro is an inferior race, and alone proves the wisdom of the National Negro Business League.

As I recall, Dr. W. R. Pettiford, president of the Alabama Penny Savings Bank, was the pioneer Negro banker in Alabama. He evolved

from a minister of the gospel to a banker, possibly because having read so often in the Bible of the virgin who returned with ten talents after having been given five. When Dr. Pettiford established his bank at Birmingham, incredulous white men did not regard it as serious enough to last, and many colored men regarded it with distrust, as a sort of chateau en Espagne. Today a magnificent steel building is the home of that bank, and over five hundred thousand dollars in resources, and regular annual dividends paid attests to its wise and conservative management. And from this bank, or rather inspired by the success of this bank, other Negro banks have sprung into existence, from Philadelphia to Jacksonville, Fla.

In every city I have visited in which was located a bank or insurance company, I made it my duty to call upon each and ascertain facts about their establishment, their conduct, their assets and liabilities, and the personnel of their officers. I was accorded every opportunity to get the facts—to learn the real condition of the institutions at the time. There was no restriction as to how far I should go, nor any reservation of facts and figures.

Of the sixty-six Negro banks that have been established from time to time, perhaps not to exceed ten have failed, and of these which failed perhaps not more than two can charge

their failure to fraudulent speculation on the part of officers. This speaks well for the honesty of the men who have controlled the colored people's money intrusted to colored banks. The record of white bank failures shows a very much larger percentage of failure due to fraudulent transaction of officers. The greater number of Negro banks that have failed can honestly attribute their failure to either the failure of some big white bank, regarded as a financial Gibraltar, through which they cleared; to stringency which made it impossible to realize upon good securities, or excessive loans, honestly made, on what was regarded as fair security. And the record of failures of white banks shows a very much larger percentage of white banks going down either in good or panicky times, than in and insurance business, without opportunities to learn, is almost as show that, in proportion to numbers, great a wonder as any enumerated is liquidating, colored banks that have failed have paid a larger per cent of their liabilities than have the white banks. This is indeed a splendid showing, and a high commendation for the Negro as a banker.

I have visited banks conducted, and controlled, by Negroes in Montgomery, Ala., Tuskegee, Ala., Jackson Miss., Indianola, Miss., Memphis Tenn., Boley, Okla., Mound Bayou Miss., Indianapolis, Ind., Washington, D. C., and Philadelphia, Pa. All appeared to be intelligently and conservatively conducted, and each had resources sufficient, in excess of lia-

ties, as to render them "safe and sound," and able to stand the most scrutinizing investigation by the bank examiner.

With the increasing number of Negro banks being established, and the safe and successful operation of those already established, an opportunity is being afforded young colored men to learn that branch of business for which the Chinese have been famed for centuries as the masters in the Orient, and the branch of business in which the Jew, in Europe and America, is almost in supreme control. The entrance into the banking business and success attained by him constitutes a chapter in the history of the American Negro so marvelous, so wonderful, so apparently utterly inconceivable, considering his opportunities to learn it, as to make it read like a bit of fiction from the highly imaginative brain of a Hugo, a Dumas or a de Maupassant. Still banking business, among Negroes, is out in its infancy. The next ten years, under the lash of race prejudice, and inspired by race pride and unity, many more banks will be incorporated, some with still greater capital. There are at least twenty cities today whose Negro population warrants the establishment, and assures the success of a Negro bank.

Equally surprising, and gratifying, is the success the Negro has made in the insurance business. How he has succeeded in this particular branch of business without previous experience, without a coach, and even without the semblance of the encouragement is really more surprising to himself. So substantial has been his success, so rapidly are colored insurance companies being organized that the big white companies are beginning to take them seriously, so serious as to contemplate a recognition of the race, as administrative employees, in some of their companies into whose business the Negro insurance companies are cutting.

In Philadelphia there are at least three insurance companies controlled and conducted by Negroes, making inroads on the big white companies, and registering a high average of success. One of these was established a few years ago by perhaps a half dozen Negroes who each put in not to exceed \$50, plus a lot of energy, sincerity and confidence, and today the company owns its own building and has resources sufficient to satisfy the stringent insurance laws of the Keystone State. One of the other companies had about the same beginning, and it too has been a success, is wisely and conservatively managed. At Atlanta, Ga., there is a \$100,000 paid-up capital company controlled and conducted by men of the race, and two or three others strongly established and efficiently managed, meeting every requirement of the State insurance laws. North Carolina, Mississippi, Texas, Oklahoma, the District of Columbia, Ken-

tucky, Virginia and other States have chartered insurance companies successfully and profitably managed by colored men. Recently one of the companies operating in the District of Columbia, publicly contributed over \$1,400 in dividends to its stockholders. That the colored insurance companies are being profitably conducted proves the erroneousness of the claim made by most white companies that the Negro is a bad risk. The success which has followed the Negro's excursion into the banking and insurance business constitutes an encouraging sign of race progress, proves the adeptness of the Negro for the two highest forms of business, and clinches the argument and warrants the optimism of the Tuskegee leader.

Is the Negro fitted to become a financier? His banks and insurance companies is the answer.

## MOUND BAYOU STANDING UP.

The Bank of Mound Bayou has closed its doors. The Masonic Benefit Association of Mississippi has surrendered to the authorities. And the only unexcited part of the Negro population is the Mississippi Negro.

Already Mound Bayou is planning a new bank, and the Grand Lodge of Masons has been summoned in extra session by Grand Master MORGAN for the purpose of forgetting the past and meeting the present. The resourcefulness of the Mississippi Negro is proverbial and seems equalled only by the resourcefulness of two Mississippi Negroes.

The Bank of Mound Bayou, of which CHARLES BANKS was cashier and founder, ought not to have been closed, in the opinion of the best bankers in the State. Not a single irregularity of ever so slight a character was found in the books, and not a penny was out of place. The authorities were dissatisfied with the securities, we learn; and we learn also that such securities as were in place covered much of the industrial progress of the race. Our news columns to-day remind us that there is no appeal beyond the decision of the State bank examiner. CHARLES BANKS wrought wonderful things through the Bank of Mound Bayou. He built a community through it, and through it cleared for the general progress of his people. Citizens of Mound Bayou, the word comes to us, in no frame of mind for harsh criticism of Mr. BANKS, for what



defeat he may for the moment sut- ing with him as his factor they fer marks a victory for the best could well bear testimony as to his known of the black cities, and for habits of mind, his efficiency and him. his methods. In a striking letter

The closing of the Masonic Ben- from them to Mr. BANKS occurs efit Association came years after this paragraph: the end was expected. The post-

poned demise is due to the skill of that we had confidence in your honesty Mr. BANKS, who was secretary and integrity and do not think that you treasurer of it. Organized in 1881 would do anything that was wrong. by the older leaders among colored We think that it will be much to your Mississippians, the "M. B. A." was personal interest to be relieved from founded upon an unsound basis and duties.

ran along upon forbidding lines. That is the opinion of all fair- When its course had been run, theminded men who have followed the end came; and the end will come to labors of CHARLES BANKS, in many all concerns that promise to pay as respects as remarkable a man as we policy the value of which is 75 per have given to the nation

it. The Masons of Mississippi will keep this in mind when they meet again to plan their new endowment department, and the Pythians there will find it wise to remember it. That must have been financiering of the high type that allowed Mr. BANKS to pay out \$300,000 to widows and orphans in four years and all the while cutting down an inherited indebtedness of \$250,000 to less than \$100,000 on collections winding month by month. And yet the job would have been easier but for the persistent machinations of the fraternal politicians and the "white folks" Negro, both of whom are big nuisances in the life of the colored people of the South. As in the Bank of Mound Bayou so it is in the matter of the "M. B. A.," the part played by Mr. BANKS was constructive and played against odds such as few men have survived half as long.

One of the strongest allies with Mr. BANKS is ISAIAH T. MONTGOMERY. His testimony is that it took a fate-challenging heart to undertake what proved to be crowns of achievements for Mr. BANKS. These two men are yet hand in hand in their efforts to restore and heal the wounded city and, along with the big leaders of the big Negro State, give the Masons a new treasury built on facts and not on fancy's open heart. Out of this babbling we have heard about Mr. BANKS; it is pleasing to have the word of a responsible witness. STEWART-GWYNNE COMPANY, one of the biggest firms in all the South, heard that the "dogs of war" were yelping at Mr. BANKS' heels. Deal

As you know, we have always shown that we had confidence in your honesty and integrity and do not think that you would do anything that was wrong. We think that it will be much to your personal interest to be relieved from your duties at the bank and other office duties. That is the opinion of all fair-minded men who have followed the labors of CHARLES BANKS, in many respects as remarkable a man as we have given to the nation

## OLD FREEDMANS BANK FAILURE IS NEAR WIND-UP

Former Depositors Have Received 62 Per Cent in Dividends and There Is Little More to Be Realized from Assets—An Echo of the Past.

(Special to the Chicago Defender.) Washington, Aug. 7.—Former depositors who have received 62 per cent in dividends from the defunct Freedmen's Savings and Trust Company, which went into liquidation in 1874, will receive little more from assets of the corporation. There were 61,000 depositors, most of whom entered claims with the government, and most of whom have received the full amount of the dividends paid. There may be a matter of a few thousand dollars to be divided sooner or later when the last possible dollar is turned into the treasury in liquidation of the remaining assets.

There is now about \$1,700 in the treasury to the credit of the account. The remaining assets will figure up only a few hundred dollars—payments still due on real estate sold on the installment plan by the corporation during its activities. John Skelton Williams, controller of the currency, is commissioner of the defunct organization and has authority to declare a dividend when it is possible to do so. The next dividend will probably be the last, and will net only a few cents on the dollar to the credit of each depositor's claim.

Just after the civil war the corporation received a charter from congress enabling it to do a banking business in the interests of freed slaves. Its directors were Afro-Americans who carried the concern to prosperity under a regulation of the charter which required the surplus funds to be invested in United States bonds. Under an amendment of the charter in 1868 the corporation was enabled to loan money on real estate security. This was the cause of the downfall of the enterprise.

**Loans Result in Bankruptcy.** Investigation discovered that money had been loaned on real estate listed at greatly inflated values. In 1874 the corporation went into bankruptcy and a commission of three men was created by congress to liquidate its assets.

At the time of the failure the bank had branches in thirty-three communities in the South, and its depositors numbered 61,000. The commissioners were inundated with claims, a great part of them from individuals who never had a cent on deposit with the institution, which added to the labors of the commission.

The first dividend of 20 per cent was made in 1875. Four dividends in all, aggregating 62 per cent of the deposits, have already been made. In 1881 congress gave the accounts of the defunct institution into the control ex officio of the controller of the currency, and directed that any depositor whose claim was not made within two years would be barred from participation in the dividends. This restriction was withdrawn in 1899, when all depositors were made eligible to the entire amount due them up to the proportion of 62 per cent declared in dividends. Nearly all depositors have received all this amount.

Part of the assets of the corporation consisted of money due on fifty or sixty acres of land in Buford county, South Carolina, known as the Old Home subdivision of the Lukens plantation. This had been cut up into parcels and sold to race settlers on the installment plan. Each lot cost not more than \$50, and was paid for in \$5 installments at regular intervals. A deed has just been issued by the controller of the treasury conveying one of the lots to the purchaser, marking the final payment of the purchase price. There are still six or eight such lots remaining to be settled for. Sums varying from \$10 up are due on each of these and are the only prospective assets of the corporation not liquidated.

**Statement of the Financial Condition of the Mechanics Savings Bank of Richmond, Va., Located at Richmond, Va.,**

mond in the County of Henrico, young, the Rev. Mr. reques, Dr State of Virginia, at the close of Capehart and E. A. Johnson of New business March 4, 1914, made to the State Corporation Commission.

RESOURCES	
Loans and discounts.....	\$78246.07
Overdrafts, secured, \$37.21 unsecured, \$54.25 .....	91.46
Bonds, securities, etc., owned, including premium on same .....	1630.00
Banking house and lot....	41053.99
Other real estate owned..	64457.42
Furniture and fixtures ...	5575.18
Exchanges and checks for next day's clearings.....	888.24
Other cash items.....	76.27
Due from National Banks..	8841.68
Paper currency .....	1058.00
Fractional paper currency, nickels and cents.....	84.67
Gold coin .....	2855.00
Silver coin .....	573.00
TOTAL.....	\$205,430.98

LIABILITIES	
Capital stock paid in.....	\$33770.00
Surplus fund.....	7000.00
Undivided profits, less amount paid for interest expenses and taxes.....	17609.65
Individual deposits, including savings deposits.....	140429.08
Time certificates of deposit	100.00
Certified checks.....	1748.80
Cashier's checks outstanding .....	19.81
Bills payable, .....	4000.00
Reserved for accrued interest on deposits.....	545.04
Reserved for accrued taxes	208.60
TOTAL.....	\$205,430.98

I, Walter T. Davis, Cashier, do solemnly swear that the above is a true statement of the financial condition of Mechanics Savings Bank of Richmond, located at Richmond, in the county of Henrico, State of Virginia, at the close of business on the 4th day of March, 1914, to the best of my knowledge and belief.

Correct—Attest:  
WALTER T. DAVIS, Cashier  
THOS. H. WYATT  
JOHN T. TAYLOR  
D. J. CHAVERS

Directors.  
State of Virginia, City of Richmond.  
Sworn to and subscribed before me by Walter T. Davis, Cashier, this 10th day of March, 1914.  
J. THOMAS HEWIN, Notary Public.  
My commission expires the 11th of April, 1914.

**GET BANK CHARTER**  
**FOR RALEIGH, N. C.**  
Special to THE NEW YORK AGE. 2-14-14.  
RALEIGH, N. C., Feb. 3.—Within a few months a Negro bank will be opened here at the corner of East Davie and South Blunt streets. The incorporators, who have been granted a charter, are Dr. J. H. Love, J. E. Hamlin, C. W. Hoover, Berry O'Kelly, Britton Pearce, Col. J. H.

**PROTECT INVESTORS**  
Special to THE NEW YORK AGE. 2-14-14.  
In order that persons who bought stock in the Bank of Mound Bayou because of his connection therewith might not suffer loss through the bank's suspension, Charles Banks has assigned to them stock in the Mound Bayou Oil Mill and Manufacturing Co., owned by him personally, to the value of the stock owned in the defunct bank.  
This will cost Mr. Banks a large sum, but he takes this step that persons investing in the bank's stock will not lose money through an investment based largely on confidence in him. The oil mill is a going concern, running night and day, and while it probably will not pay dividends until entirely out of debt, the stock is easily worth at least par present. Mr. Banks is taking this without solicitation and initiative.

**NEWS.**  
DEC 9 1914

**BANKS CONDUCTED BY NEGROES.**  
In the southern states are to be found about seventy banks that are owned, controlled and operated by negroes. In addition to these might be mentioned numerous building and loan associations.  
The kindly spirit that prevails between white people and colored in the south is evidenced by the fact that presidents or cashiers of white people's banks have given liberally of their advice to the competing negroes' banks, sometimes opening the first set of books for them and supervising their operation until they were well under way.  
Not long ago a bank conducted by negroes in Richmond nearly became the object of a "run" because of an erroneous report concerning the bank's integrity. Several of the leading banks conducted by white people, through their presidents, told the negro bank managers to pay all claims promptly and that they would provide the funds required if necessary. They knew that the negroes' bank was safe and solid and they had confidence in the honesty of the negro president.  
Robert R. Moton of the Hampton Institute reports that "In almost every community the negro and white business men are on terms of harmony and co-operation, loaning and borrowing and crediting as if both were white or both were black."

**NEGRO NATIONAL BANK**  
*The Boston Reliance*  
There is under consideration in Nashville, Tennessee, a proposition to consolidate the two state banking institution's interests, and establish a national bank. There is a live Negro board of trade in Nashville, and let us hope that the proposed advance step will be taken in due time. Ex-Register of the Treasury Napier has returned to the Tennessee capital and is receiving a warm welcome. He is a lawyer, banker and all-round good citizen. To win out the Negro must conduct every class of legitimate business.—Charlotte Advertiser.



## Banks - 1914

### MR. ROSENWALD'S BANKS FOR THE POOR.

A very great deal of interest has been manifested all over the country in the announcement that Mr. Julius Rosenwald of Chicago is in Europe studying the banks in Italy and other countries that have been established to benefit the poor people who are not able to have credit at the regular banks, with the purpose of establishing a chain of such banks in this country. The Italian banks of this kind are said to be among the best. The banks will be established in all of the large cities, and in addition to helping poor workshop and other people who need small loans from time to time, say from \$10 to \$100, on simple indorsement of note of promise by a fellow workman, tradesman, and the like, the new system is intended to kill the lucrative business of the "loan sharks" who prey on the small borrower and make his life a burden, and whom the authorities of New York have been waging a successful crusade against.

Mr. Rosenwald will have the cooperation of Mr. Carnegie, Mr. Astor and other men of large capital, so that it has been announced that the banks will have unlimited money behind them.

Mr. J. L. Mathews, in a recent issue of Harper's Magazine, talking about the Italian loan system, said:

Formed with limited liability, the issue of shares unrestricted, the price not more than \$10 and often only \$4—these banks invite the membership of every one from the line of real poverty to the edge of wealth.

Democracy financing itself is a matter of financial moment not alone for its first service but for the possibility it affords to collective industrial undertakings. In co-operative banking lies a source of enrichment, not only of material wealth but of character and the education of the common man to the management and investment of a common trust.

We have no doubt that the new system will be a great success and benefit greatly those it is intended to reach. A great deal of want and suffering have been prevented among the honest working poor of Italy by the operation of the system Mr. Rosenwald is studying and purposing to introduce into this country, and there is no good reason why it should not work like results in this country.

The success which has attended banking ventures among colored people during the past ten years not

only shows that they were badly needed but that the people were ready to sustain them. Every colored community of one thousand or more people should have a penny savings bank at least, and as many banks of deposit and discount as possible. The presence of a bank in any place is an inducement to the people to save their earnings above living expenses who never thought of doing so before. New York is still behind even Boston and Philadelphia in this matter, and without any apparent reason.

## BANK IN MOUND BAYOU CLOSED

**Bank Examiner Stops Business on Technicality while Cashier Is Absent**

## REJECTS THE SECURITIES

**Examiner States there Were no Irregularities in the Management but He Was not Satisfied with Collateral.**

## NO APPEAL FROM DECISION

**Receiver Appointed for Masonic Benefit Association which Had Paid to Widows and Orphans \$300,000 in Four Years—Both Companies to Reorganize.**

Special to THE NEW YORK AGE.

MOUND BAYOU, Miss., Sept. 15.—On August 19 the State Banking Commissioner ordered the doors of the Mound Bayou Bank, which was founded and cashed, closed for liquidation, because of dissatisfaction with the character of the securities representing the bank's collateral. The examiner announced that there were no irregularities in the management of the institution, but the securities represented Negro industry and Negro enterprises, covering for the most part the progress of the Negro town, and when realized upon would be covered by Negro money; therefore, for his purpose and according to his rule, they were not worth while.

This action was taken in the absence of Mr. Banks, who was attending the session of the National Negro Business League. The examiner found \$40,000 in

deposits and \$9,000 in cash and sight exchange. The banking department of the State is clothed with absolute authority and there is no appeal from its decisions, so there was no recourse.

### Masonic Benefit Association Suspended

The bank was founded eleven years ago and has been a potent factor in the development of Mound Bayou. It assisted in the industrial growth of the community, added an acreage of 30,000 acres, and acted as the fiscal agent of hundreds of the people in this section. Under the new banking law of Mississippi more than one hundred banks have been closed. The Mound Bayou Bank more nearly withstood the pressure than any of the others and many of the leading bankers of the State have expressed the opinion that it should not have been closed by the Banking Commissioner.

A week after the bank was closed the Insurance Commissioner appointed a receiver for the Masonic Benefit Association, the pioneer Negro Insurance company of which Charles Banks was secretary and treasurer. Under the new law in Mississippi dealing with the operation of judgments, Mr. Banks found it impossible to meet the judgments and pay all new claims. The assessments collected were not sufficient for that purpose, so he had to ask for the appointment of a receiver.

In four years Banks has paid out \$300,000 to widows and orphans and at the same time reduced the indebtedness from \$250,000 to less than \$10,000. S. D. McNair, the receiver, in an address to the employees of the association, said that he had not found the slightest irregularity in the accounts or management, with the office handling approximately \$150,000 yearly. Mr. Banks had done better, he said, than anybody else could have done, and ought to be praised, not blamed.

### MOUND BAYOU BANK VICTIM OF FINANCIAL CONDITIONS.

Many false statements have been put in circulation here concerning the failure of the Negro Bank, which was promoted by Mr. Charles Bank of Mound Bayou, Miss. With a feeling of racial pride we are glad at this writing to be able to modify in no small degree those invidious misstatements of facts.

A business failure, no matter how small, has a tendency to discourage race enterprise, race co-operation and retard the economical progress of the race generally, and when a newspaper makes capital by gloating over such failures, no matter for what purpose, it is not promoting the best interest of our business men. No one knows better than the business men and women what a desperate hand to hand struggle it is keeping even a small business afloat. No one appreciates more keenly than the business men and women the damaging influence that such rumors, no matter how remote, exert upon the minds of an

over-suspicious people. Would it not be to the best interest of the business fraternity to praise our successes and minimize our failures as much as possible. We have always advocated begin at the bottom, go slowly, study as you go, and speculate only upon what you have on hand instead of upon that which you expect to have at some future time."

The following is a clipping from the "San Antonio Inquirer":

### THE NEGRO BANKER.

Much has been said concerning the Negro bankers throughout the country, with thorough investigation of existence, with a view of determining the real cause of failure on the part of so many of the Negro banks. Many have thought that dishonesty and unfair dealings with the depositors and patrons of the various banking institutions were responsible for the untimely failure of Negro banks. After a thorough investigation and determining the causes of the failures of Negro banks, we have concluded our endeavor upon the fact that dishonesty on the part of the Negroes is not the prime cause for the failure of the banks of our race.

The banking business is the highest degree of commercial activity and requires the best commercial teaching and practical training for individual qualification, in order to serve in that capacity successfully; that, the average Negro banker has never obtained. He has simply launched into the banking business with small capital and the confidence of his intimate associates, without the knowledge of his real duties and responsibilities, and due to his inability as a practical banker, he has failed. His white brother who succeeds in the banking business is reared and trained in banking institutions, beginning as messengers and working up to the position of Cashier or President; sometimes they are in the bank before they learn to talk, to which their tremendous success is attributed. While the Negro as a whole never held a position in a bank until he opened one of his own, and then began as cashier or president, when in reality he did not know the real duty of a bank messenger.

Negroes as a whole have not reached the banking degree. They have yet to qualify themselves for that position, which is the highest degree of commercial activity, and can be obtained only by starting on the ground floor and working up to the position of banker.

While we have 62 Negro banks in operation in this country, we can only boast of a baker's dozen of successful Negro banks. The last failure recorded among the Negro banks was

the closing of the bank at Mound Bayou, on Aug. 19, during the sitting of the National Negro Business League at Muskogee, Okla. The State examiner reported that every cent had been accounted for on the books, but the financial condition was such that warranted the closing of this institution. Let us improve ourselves.

## FREEDMEN'S BANK WILL PAY FINAL DIVIDEND

**Small Visible Assets Will Soon Be Collected and Affairs of Bank Wound Up**

## LOTS IN SOUTH CAROLINA

**Sold on Installment Plan by Defunct Organization and Balance Due on a Few Unpaid for Will Add Small Sum to Amount in Hand of Commissioner.**

Special to THE NEW YORK AGE.

WASHINGTON, D. C., Aug. 12.—When the Freedmen's Saving and Trust Company went into liquidation in 1874, among the assets were some fifty or sixty acres of land in Beaufort County, S. C., known as the Old Home subdivision of the Leno's plantation. This was cut up into parcels and sold on the installment plan. The lots were not more than \$50 and were to be paid for in installments of \$5. Some six or eight of these lots have not been fully paid for, sums varying from \$10 up being due on each of them, and this is the only source of prospective additional assets for depositors of the defunct Freedmen's Bank.

John Skelton Williams, controller of the currency of the United States Treasury, is commissioner of the bank and has authority to declare a dividend when it is possible to do so. He announces that the next dividend will probably be the last to be paid, and that it will hardly amount to more than a few cents on the dollar. Four dividends in all have been paid since the first dividend of 20 per cent. was declared in 1875, amounting to 62 per cent. There is now in the Treasury about \$1,700, and when all the visible assets are realized upon a few more hundreds will be added.

The bank had 61,000 depositors when it failed, scattered through thirty-three communities in the South. Until 1868 the surplus funds were invested in United States bonds, but in that year Congress amended the charter so that the corporation could loan money on real estate. It was found after the failure that money had been loaned on real



estate listed at greatly inflated values. Many individuals who had never put a cent in the bank filed claims with the commissioners who were put in charge of the liquidation.

One of the Beaufort County debtors has just paid up his indebtedness and the controller has issued a deed marking the final payment of the purchase price.

## \$200,000 HARLEM BANK FOR NEGROES' BUSINESS

### White Bankers Confer with Colored Men and Tentative Plans Are Discussed

#### TRUST CO., SAVINGS DEPT.

John E. Nail Authorized to Appoint Committee to Formulate Definite Plans for Starting Bank, either Wholly or Partly Controlled by Negroes—To Meet in Two Weeks.

Tangible and concrete results are to be expected from a meeting held in the real estate offices of Nail & Parker Tuesday evening, June 30, in which a number of colored men held a consultation with several representative white bankers, discussing plans looking to the establishment of a bank for the Negroes of Harlem. The meeting was called on the invitation of John E. Nail.

Messrs. Dimsey, Williams and Rapp represented the white bankers, and the colored business and professional men present were John E. Nail, the Rev. E. J. Daniels, representing St. Philip's Church, John M. Royall, Edw. Stewart, Herbert, Edward A. Warren, Geo. W. Harris, Henry C. Parker, Fred R. Moore and John F. Nail.

All these phases of the banking business were discussed and a number of suggestions advanced as to the kind of bank best suited to the needs of the colored business men of Harlem. The consensus of opinion seemed to favor the formation of a trust company, with a savings department, as the most feasible. The capital stock was suggested as \$200,000, with a paid-in surplus of \$50,000. It was stated that the representation allowed the Negro in management of the bank would be in proportion to the amount of stock subscribed, or if a bank financed entirely by Negroes was established, then advice and cooperation would be freely given by the white bankers. Advice was given as to how the business could be helped and encouraged.

John E. Nail was authorized to appoint a committee of three or five to meet and confer with the white members with definite plans for the formation

and starting of such an institution. The committee to meet within the next two weeks.

### The Saving Habit

Twelve months ago a Christmas Savings Club was opened at Norfolk's colored bank. The members began by paying five cents and increasing the deposit five cents each week.

On Tuesday December 15th, the bank will disburse to the members of their Christmas Savings Club the sum of twenty-two thousand dollars—the total of their accumulated savings.

This is a remarkable instance of the wonderful efficacy of the saving habit and emphasizes especially two things:

(1.) The stimulus to habits of thrift and economy afforded a community by its savings bank.

(2.) The growing confidence of the masses in the reliability and usefulness of their savings bank.

The bank, by affording an opportunity to put away and save the nickels and dimes becomes a teacher of thrift and economy and every depositor of the bank becomes a student of these wholesome and altogether essential virtues.

One thousand colored persons, men, women and children joined the Brown Savings Bank Christmas Club, and will share in the distribution of the twenty-two thousand dollars on next Tuesday.

These people represent all walks of life, professional men and women, mechanics, skilled and unskilled laborers, scrub women, wives who handle a part of their husband's earnings, bootblacks and newsboys. The saving habit, once promulgated by the bank became contagious and permeated all classes.

Most of these people had never thought of a bank as being a place where they could have any acquaintance or intercourse. To them a bank meant merely a place for the transaction of business by people of wealth. The majority of

them looked with skepticism upon a bank as a place to hoard their little savings. Now their point of view is changed. Their experience has taught them:

(1.) The habit of systematic saving.

(2.) The rapidity with which savings grow when added to weekly.

(3.) That a bank is an institution not merely for speculation and money lending, but for the encouragement of thrift, economy and accumulation by the masses as well as by the classes.

(4.) The importance of having a bank account and the dignity and self-respect that accompany the possession of the same.

It is idle to presume that all of this twenty-two thousand dollars will be withdrawn from the bank and squandered for trifles.

Some of it will be redeposited as a nest egg for a larger savings account to draw interest as it accumulates.

Some of it will go to meet important obligations and some will be used to meet long deferred needs in the home.

It is safe to predict that ninety per cent of the money will be put to good use, as it should be.

Thrift points the way to independence. Nothing so improves the physical, moral and mental state as the satisfaction of knowing that one is prepared for that proverbial "rainy day." Nothing is more certain of meeting that emergency than a Savings Bank Account.

The bank will cheerfully distribute this fund next Tuesday and invites each member of the Club to use a part of their check to open a regular savings account, and watch their savings grow.

#### STABILITY OF OUR BANKS.

The Nashville Globe, one of our newspapers of light and leading, says of the confidence the people have in the two colored banks of Nashville, and we quote the editorial entire:

Since the failure of the Mercantile Bank in Memphis, special attention has been given to the two banks in this city owned and operated by Negroes. When these failures come banks everywhere are concerned and colored people

think the next bank to fail will be a Negro bank, but be that as it may, there has been no sign of such a fear in this city. The One Cent and People's Savings Banks show no signs of being disturbed over the failures of other banks. Their business continues to increase and the confidence of the people in these banks increases as they show signs of prosperity.

It is gratifying to note that so few failures occur among the banks conducted in this country by Negroes. It is a common thing to read of white men's banks failing, but with Negroes it is a very rare thing. It proves that the men who are at the head of these institutions are of the very highest character, and that they realize the great responsibility resting upon them as the bankers of a people who have been taught to be shy of everything that the members of their race undertake. It is realized by the leaders that the race will go forward or backward just in proportion as confidence is established, not only in banks but in all lines of endeavor.

It is to be hoped that the conservative policy our banks have pursued during the past ten years, in which time they have wonderfully increased in number and resources, will be strictly adhered to. The business and industrial interests of our people that are steadily growing in magnitude, especially in the Southern States, make the banking business one not only of imperative necessity but of the very first importance. The confidence of the people in the stability and conservatism of their banks is necessary to their permanency and growth.

And some of these days we shall have a bank of our own in New York.

Greensboro, N. C., one of the best towns in the South, has gone crazy on the Negro question. Prof. W. B. Windsor, principal of the Colored Graded School, bought a house in a block occupied by white residents; when he attempted to move into it his white neighbors demanded that he move out. He paid \$3,100 for the house and was forced to sell at a loss of \$400. A hasty meeting of the City Commissioners was called and a segregation ordinance passed and immediately put into effect. Five hundred white citizens signed a petition asking the School Board to dismiss Prof. Windsor. The colored people have a hard struggle before them now that will loom larger as they go along. They will need all the wisdom, courage and patience they can command to come out of the struggle with honor, and profit to them, and they will need great newspapers like The Age to help them do so. Remember that.

## New Negro Bank Nearing Completion

WAGE EARNERS \$4,000.00 HOME FINEST OFFICE BUILDING ON WEST BROAD STREET

Will probably be Ready for Occupancy Labor Day—Bank's Business Much Stimulated by New Building

The new \$40,000.00 bank and office building which the Wage Earners Loan and Investment company is erecting at the northeast corner of West Broad and Alice streets is now nearing completion and already, even without the finishing touches, it is the most imposing structure on West Broad street.

The new building is the finest, with possibly one exception, bank building in the country owned by a Negro banking institution and is already one of the pride spots of the city which is pointed out to visitors. It is of buff brick with Indiana lime stone finishing and is three stories on a basement.

The bank will occupy elegant quarters on the first floor, the other portion of the ground floor being occupied by Mr. G. H. Bowen, the bustling real estate dealer. The second and third floors will be used as offices, and in the basement will be a barber-shop and furnace room.

In speaking of the new building the other day one of the directors stated that it had already proved a stimulus to the business, which is already the equal of any Negro bank in the country, and that he had no doubt but that the new quarters would further increase the volume of business.

Contractor Pharrow, of the Pharrow Construction Company of Atlanta, is hoping to get the building sufficiently finished so as to allow the bank to make a Labor Day opening. Already the cry is generally heard "who will be the first to deposit in the new bank."

President L. E. Williams in speaking of the furnishings of the bank said that they will probably surpass those of any Negro bank in existence.

The installing the other day of the safety vaults attracted much attention and quite a crowd looked on while the workmen tugged and pulled at the heavy pieces of steel that compose the money box.

Charles H. Anderson, treasurer of the National Negro Business League, is the moving spirit of a newly-organized bank at Jacksonville, Fla., the firm name of the institution being Anderson, Tucker & Co. The bank was opened to the public on New Year's day.



## Banks - 1914

City, N.Y. Age, 1-27-14.

A charter for a bank has been granted to Dr. J. H. Love, C. W. Hoover, Britton Pearce, Col. J. H. Young, Dr. Caport, Berry O'Kelly, Capt. J. E. Hamilton, E. A. Johnson and the Rev. A. W. Peones.

N.Y. Age, 1-13-14.

IN JACKSONVILLE, FLA.

Special to THE NEW YORK AGE. Jacksonville, Fla., Jan. 13.—A new colored bank has been opened here, the first name of the concern being Anderson, Tucker and Company. Banker Charles H. Anderson, treasurer of the National Negro Business League, is prime mover in the new venture. The bank was opened New Year's Day, the inspection of the public and on the following day it was opened for business.

The new financial institution is well located and has all the up-to-date banking facilities. The Negroes of this city are making tremendous strides in every line of business activity. They own and live in fine homes, own automobiles and send their children to industrial schools and colleges.

The Pittsburg Courier mentions a couple of white bank employers who stole \$85,000 and who are now behind the bars. That's the disadvantage of being a white banker, if you have a colored bank in New York, and from or wreck the bank, you have through ticket to jail. But if you are a colored banker and do a thing of that sort, you are merely in for a good time—upon the fine, the residence, the houses, etc.—in fact, you fix yourself for looming up large as a real "high-brow." There is but one admonition to be given to bankers: Go straight, if not, then be a colored banker, do what you wish and if depositors get in an ugly mood, ask them what they expect to do about it? If you doubt the above rough sketch, refresh your memory as to the two or three bank failures we have had in Texas among Negroes, and the final outcome of the same.

### DUFFAY MADE HEAD

#### Advertise OF NEGRO BANK

4-22-14

Special to The Advertiser. BIRMINGHAM, ALA., March 21.—J. O. Duffay, a well known negro business man, vice-president of the Alabama Penny Savings Bank for a long number of years, was last night made acting president of that institution, and Dr. W. R. Pettiford, founder and president for twenty-five years who is now confined to his bed, was granted an indefinite leave of absence from duty on account of his health.

Like most successful negroes in the South, Duffay is a self made man and has risen to a position of prominence in his race by hard work and energetic self-sacrifice. He was associated with Pettiford, B. H. Hudson and Peter J. Clarke in the establishment of the bank and has been on the board of directors since that day.

Dr. W. R. Pettiford, who is well known throughout the country, is president of the National Negro Bank-

ers Association. The Alabama Penny Savings Bank is the largest strongest negro institution of its kind in the country and has branches in Montgomery, Selma and Anniston.

### RUN ON A COLORED BANK

The colored people of Norfolk, Va., have been seized by a savings fit, if the statement of two exhibitions of their fits is to be taken as symptomatic rather than sporadic. Soon after the New Year the Christmas Savings Club opened by the Brown Savings Bank was so crowded by colored people who desired to open accounts that the congregation of people looked like a run on that colored institution. There were some 700 accounts opened that day. It was a run, not to get money out of the bank, but to put money in the bank; the sort of run that should have possession of the colored people not only in Norfolk but in New York as well, and in all places where there are any considerable number of them.

The same thing happened again last week in Norfolk on Tuesday.

The Christmas Club feature, to encourage small savings, has been adopted by many banks in the North. We should have a colored bank in New York, and because we should have one we will have one when we have it.

### A COLORED BANK.

One of the greatest needs of the colored people of Charleston is a Bank. A few years ago an effort was made in this direction but for some unknown cause met with failure. This was greatly to the discredit of our people here and should be wiped out at once. That it can be done it is a most superfluous to say for it is a well known fact that hundreds of our people are able to take stock in such an enterprise and make it a success.

Our people need to have and appreciate the fact that wealth is a great factor in the development of a race. A man who has nothing stands for nothing. Likewise a people. What need we to do in this city is to tangibly show what form a financial view, we are. This will give us standing, prestige, influence. It will demonstrate that we are a contributing factor to the development of the community. That

it interests are ours, and that with it we rise or fall.

## MISSISSIPPI HAS ROUND DOZEN OF BANK FAILURES

In Less than Two Years Twelve Substantial Afro-American Financial Institutions Close Their Doors for Lack of Efficient Officers and Assistants.

### TRAINED MEN NEEDED.

Washington Correspondent Points Out Cause of Failures—Officers Were Preachers and Teachers Who Overlooked the Necessity of Business Experience.

The Chicago Defender

By Charles E. Hall  
Washington, D. C., Nov. 13.—The Afro-Americans of the State of Mississippi less than two years ago boasted proudly of the fact that they had thirteen banks in operation, which number represented more than were operated in any other state. This boast did not live long, for twelve of the banks have gone down under the weight of the first obstacle like the morning glory which blooms forth in brilliance under the morning dews, and when the noonday sun flashes its rays upon the fragrant petals of tender beauty it fades and dies away like a vanquished ghost.

With the closing of the Penny Savings Bank of Columbus and the Southwestern Bank of Jackson in the last forty-eight the braggart of two years ago has opened his eyes and found only one Afro-American bank left as a legacy to his boastings.

Banks were in operation in nearly every city of importance in every section of the state. Vicksburg had two banks, Hattiesburg two, Jackson two, Greenville one, Natchez one, Yazoo City one, Columbus one, Mound Bayou one, Indianola one, and the little town of Shaw, which is not shown on the map, one. Out of this number only one is left. That one is in the famous little town of Indianola, under the management of that conservative and trained business man, Wayne W. Cox, the husband of the famous Minnie Cox, who was appointed postmistress of the town by Theodore Roosevelt, who abolished

considerable means, there were in the entire state only sixty-two Afro-American bookkeepers, cashiers and accountants. Among the white people of the state there were one bookkeeper, accountant and cashier to every 279 persons. Among the Afro-Americans there was one to every 16,282.

### Work for the Present.

It will doubtless be a day of great rejoicing on the part of many of the progressive Mississippi Afro-Americans when the institutions for the education of the youth of that state turn out a greater number of competent accountants and bookkeepers—when the problems peculiar to this life receive as much attention as is given to the preparation for the life beyond the grave; for, after all, there is a great amount of work to be done in this world before we pass into the next.

ished the office when the white citizens would not allow her to fill the position.

### What Is the Cause?

The question is asked everywhere, what is the cause of this wholesale failure of the banks in the state, and so soon after they had been launched? The answer which comes from many is that they did not get sufficient support from the members of the race; that the Afro-American does not patronize his own people in business. The amount of deposits carried by these defunct institutions proved this answer to be untrue. Sufficient deposits were carried by all of the failed banks to have kept them in operation in splendid style. The trouble, then, was not from lack of patronage from the members of the race. All these banks flourished for a while, but gradually they closed out one by one.

### Officers Had No Previous Training.

There were two main contributing causes which brought about the dwindling out of these institutions. One was the stringent banking laws recently put in operation in the state for the supervision of all state banks operating therein. This was a minor cause, however; as all the banks except four had gone down before the law was in operation. Three of the banks have been put out of business since the new banking law was put in operation. It is clearly seen, then, that most of the failures were from the other cause, which is naturally the most prominent. It was the lack of having practical, experienced and trained officers to manage the affairs of these banks. In many instances, most of these officers were mismanaged by officers who were totally incompetent. The officers of these banks were preachers and school teachers who had no business training whatever. In most cases these officers had made failures in

their own private business affairs.

Careful investigation reveals the fact that the cashier of one of the failed banks actually could not count money correctly and could not write his name legibly. The president of the same bank, a school teacher, dominated the board of directors, who feared to do anything but his bidding and who were awed by his domination from exercising any of their rights given them by the by-laws of the bank, and the ignorant cashier was kept on the job until the bank was wrecked.

### Object Lesson for Other States.

Had these banks been managed by experienced business men Mississippi would have held its place in the first rank in the operation of banks. What Mississippi needs today is young men and women trained in business who can do things. The masses of the race have learned to support with pride all Afro-American business enterprises, but with such wholesale failures as have been in the banking field the confidence will be destroyed. The sad fate of the Mississippi bank failures should be an object lesson to the banks of other states as well as to all business enterprises launched by Afro-Americans.

In Mississippi the Afro-American has exceptional business opportunities. Of the total population of 1,797,114, as reported for the state by the census of 1910, 1,009,487, or 56 per cent, were Afro-Americans, over 900,000 of whom lived in the rural districts. Of the 274,382 farm operators 164,488, or about 60 per cent, were operated by persons of our race, of whom 24,949 were owners.

### Only Sixty-two Cashiers and Bookkeepers.

There were 27,995 engaged in manufacturing and mechanical industries, from carpenters, builders and contractors to laborers in turpentine distilleries. There were 11,639 making a living in the transportation business, from locomotive engineers to deck hands on flatboats. There were 17,172 Afro-Americans engaged in trade, ranging in grade from insurance officials, commercial travelers, etc., to porters in stores. In the professional service there were 3,782, most of whom were teachers and preachers. But of all the 578,637 Afro-Americans who were engaged in gainful occupations who were making money, who were starting banks and insurance companies, running sawmills and cotton gins, building houses and boats, firing locomotives and making brick, raising cotton and cattle—for all these people, many of whom are men of considerable business ability, there is no INDUSTRIAL SAVINGS BANK. For the first time in the history of the colored citizens have reason to feel proud of their bank.



Complaints have been made against the colored people because they have failed to support their own institutions. The Industrial Savings Bank has been in existence a little over a year, and the commendation it has received from the bank examiner is an evidence of its stability and the honesty and integrity of its officials.

The Bee had occasion to hear from the lips of the United States Bank Examiner last week after they had made an examination of the bank's books the highest compliment that has ever been paid bank officials. The compliment, coming from government officials, who called unexpectedly at this bank before the arrival of any of the bank officials, and the books demanded and presented to them without any hesitancy, certainly places this bank and its officials head and front of any bank in this country. The remark of the bank examiner was, that the Industrial Savings Bank is the best managed and conducted bank in the United States. What better compliment could have been made? If the officials had not deserved it, certainly the examiners would have never have made it. The books and everything were found to be in a first-class condition.

Now, here are two men who have come up from the lower walks in life, that one was a hod carrier and the other a barber. The former didn't possess all of that refinement that is generally credited to bank presidents; the latter was a barber, but possessing a common school education. Neither had any banking experience when they entered the business. What, then, is the result? They are recognized today as two of the most competent and successful business men in the community. They have surpassed all college graduates that ever conducted a bank or a loan association. The colored people in this city have from time to time been systematically robbed, either by Negro bank officials or building and loan associations or co-operative stores. Is there any reason why colored people lose confidence in Negro industries that are started in this city? The office Negro and the Negro who believes that he is superior to his own people have been monumental failures.

Here we have two men, not office holders, not society dudes, because society has been the ruination to many Washington Negroes, but two men who are looking out for the interest of all the people and their patrons. What has society done for the working classes of colored people? How many banks loan and building associations have been organized by the society Negro and failed? The average Washington Negro and more especially the office holders, have gone mad on social recognition or society, which will send any body to the mad house. If the society Negro could only get it out of his head that he is not in a position to play the society dude he would not be walking upon his "uppers" today. The Bee would advise the thrifty and progressive colored citizen to start and promote business. Many who have come from the corn and cotton fields of the South to this city are today six feet under ground from society craze. Another thing has affected the Negro is his attempt to play white. This craze has been the death of so many colored men and women. There was a bank in this city several years ago that though color would carry it through to the

block south of the Union depot. The contract was awarded to the well know Negro contracting concern, the Pharrow Construction Company of Atlanta, which erected the \$100,000 Odd Fellow building in Atlanta and which is now about to complete the \$50,000 Odd Fellow auditorium. The building when completed will have elaborate equipment throughout and will have cost fully \$40,000.

Work on the new building will begin the first week in next month. The building will be constructed of buff brick and will be three stories high on a basement. The bank will occupy the major portion of the first floor and its quarters will be luxuriously equipped. The front of the first story will be of white Georgia marble.

Aside from the bank, there will also be one store on the ground floor. The second and third stories will contain about thirty-two office rooms. In the basement, which will extend several feet about the street, thereby allowing ample light and ventilation, will be a beautifully fitted up barber shop, a steam heating plant and several storage rooms. Entrance to the two upper floors of the building will be on West Broad street.

**The Savannah Journal**  
**\$40,000.00**  
**2-21-14**  
**Negro**

**Bank Building will**  
**begin March 1st**

**WAGE EARNERS LOAN AND INVESTMENT COMPANY TO HAVE BEAUTIFUL HOME**

**The Pharrow Construction Company awarded Contract—Building will be Erected on North East Corner of Alice and West Broad Streets—Work to be Rushed**

On last Saturday afternoon the Wage Earners Loan and Investment company, the pioneer Negro banking institution of the state, awarded the contract for its new \$40,000, home which will be erected at the northeast corner of Alice and West Broad streets, just one

The Wage Earners Loan and Investment Company is the second largest Negro banking institution in the country.

**BANK DECLARES LIGHT PERCENT DIVIDEND**

**Alabama Penny Savings Bank**

**Does Over \$2,500,000 Business During 1913**

**PETTIFORD IS RE-ELECTED**

**Well Known Institution Has Been in Existence 24 Years—Its Present Holdings Total \$553,000.**

Special to THE NEW YORK AGE  
BIRMINGHAM, Ala., Jan. 20.—At the annual meeting of stockholders of the Alabama Penny Savings Bank, held Friday evening, the reports showed that more than \$2,500,000 in business was done during the year and that the re-

serve fund was considerably more than \$20,000. A dividend of 8 per cent. was declared, and a goodly sum placed to surplus account. The institution's present holdings total \$553,000.

The following directors were elected: W. R. Pettiford, B. H. Hudson, Peter F. Clarke, P. M. Edwards, J. O. Diffay, R. T. Jackson, John H. Jones, D. P. Moore, J. S. Jackson, L. H. Strickland, John W. Goodgame, T. W. Walker, T. C. Windham, A. M. Brown and R. L. Mabry.

At a meeting of the directors held Saturday afternoon the officers were re-elected, being W. R. Pettiford, president; B. H. Hudson, cashier; Peter F. Clarke, assistant cashier; J. O. Diffay, vice-president; Bertram H. Hudson, paying teller; John C. Mickle, receiving teller; Walter R. Pettiford, Jr., auditor, and William Townsend and J. A. Ross, bookkeepers.

Congratulating the stockholders upon the practical unanimity with which the work of the past year was carried on, and for the good result attained, Dr. W. R. Pettiford, founder and president of the Alabama Penny Savings Bank, made the feature address at the annual stockholders' meeting held in the assembly room of the banking house Friday night. In every respect this was one of the most remarkable meetings ever held by the stockholders of this concern, and closed the record-breaking year of its history.

**Bank Has Weathered Many Storms.**

With reference to the past twenty-four years, when the bank has weathered all kinds of storms, and established a precedent for Negro business history, Dr. Pettiford said:

"I can remember the time when the stockholders' meeting was not held in absolute harmony and union. I can remember when we found it difficult to get all to decide upon various points or methods of conducting the business, even in the board of directors. In the past twenty-four years, since the bank has been doing its business here, we have been able to develop in our ranks a strong and forceful set of business men in whom the stockholders have complete confidence."

Addresses congratulating the officials

and stockholders, as well as the whole people of Birmingham and Alabama for making such a great success out of the Penny Bank and its branches were made by the Rev. John W. Goodgame, Dr. J. S. Jackson, Oscar W. Adams and Mrs. Ella Lacey.

Victor H. Tulane, cashier of the Alabama Penny Savings Bank at Montgomery, stated that the Montgomery branch had done a good year's business and had made an earning of over \$1,000 for the home bank. The Rev. W. H. Mixon, of Salem, was also present and made a short address.

**Statement of the Financial Condition of Mechanics Savings Bank of Richmond, Va., located at Richmond, in the County of Henrico, State of Virginia, at the close of Business September 12th. 1914.**

made to the State Corporation Commission.

**RESOURCES.**

Loans and discounts....	\$82,361.17
Overdrafts, secured, none; unsecured, \$161.17....	161.17
Bonds, securities, etc., owned, including premium on same.....	1,630.00
Banking house and lot..	41,053.99
Other real estate owned.	59,080.75
Furniture and fixtures...	5,373.93
Exchanges and checks for next day's clearings ...	1,272.20
Other cash items.....	262.22
Due from National Banks	8,257.58
Paper currency .....	1,957.00
Fractional paper currency, nickels and cents .....	50.01
Gold coin .....	4,267.50
Silver coin .....	727.00
Total.....	\$206,454.52

**LIABILITIES.**

Capital stock paid in....	\$33,800.00
Surplus fund .....	9,000.00
Undivided profits, less amount paid for interest, expenses and taxes ....	892.30
Individual deposits, including savings deposits ...	149,735.11
Time certificates of deposit	100.00
Certified checks .....	35.15
Reserved for accrued interest on deposits .....	534.00
Reserved for accrued taxes	182.00
All other items of liability, viz. Unearned discount..	12,175.96
Total.....	\$206,454.52

I, Walter T. Davis, Cashier, do solemnly swear that the above is true statement of the financial condition of Mechanics Savings Bank of Richmond, Va., located at Richmond in the County of Henrico, State of Virginia, at the close of business on the 12th day of September, 1914, to the best of my knowledge and belief.

Correct—Attest:  
WALTER T. DAVIS, Cashier.  
THOMAS M. CRUMP,  
D. J. CHAVERS,  
JOHN MITCHELL, JR.,  
Directors.

State of Virginia, City of Richmond.  
Sworn to and subscribed before me  
Walter T. Davis, Cashier, this  
17th day of September, 1914.  
THOMAS HEWITT, Notary Public.  
My commission expires April 8, 1918